

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Beffort **ORIGINAL DATE** 02/01/15 **LAST UPDATED** 02/25/15 **HB** _____

SHORT TITLE Streamline Teacher Administrative Licensure **SB** 153/aSFC

ANALYST Gudgel

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16		
	\$0.0 to \$37.5	\$0.0 to \$37.5	Recurring	PED Operating Budget

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Education Retirement Board (ERB)

Public Education Department (PED)

SUMMARY

Synopsis of SFC Amendment

SFC Amendment of Senate Bill 153 limits eligibility for an administrators license to applicants who have already completed a PED-approved administrator preparation program (eliminating allowing an applicant who is participating in an administrator preparation program to be eligible for an administrators license) and clarifies that both level two and level three teachers are eligible by inserting “level three” into Subparagraph 2 of Subsection B.

Synopsis of Bill

Senate Bill 153 amends Section 22-10A-11 NMSA 1978 of the School Personnel Act (SPA) and enacts a new section of the SPA making changes to the three-tiered licensure system for school administrator (principal and assistant principal) license. The bill decreases the administrator license from a nine-year license to a five-year license and changes the pathway to school administration. Pursuant to the bill, administrator licenses will be granted to level two teacher applicants who have completed or are participating in a Public Education Department-approved administrator preparation program and hold a current level two license.

FISCAL IMPLICATIONS

License Renewal

The bill shortens the length of time an administrator license is valid from nine to five years which may result in PED receiving increased revenues generated for license renewals. In addition, PED notes the department is likely to see an increase in licenses, also resulting in increased revenues. Assuming license renewal fees remain the same – \$125 – PED could collect up to \$37.5 thousand in additional fees annually. PED notes the revenue can only be used for administrative costs associated with reviewing the application.

License Advancement

Statute currently requires school administrators (elementary, middle, and high school assistant principals and principals) be paid a minimum of \$50 thousand annually multiplied by the applicable responsibility factor as follows:

Assistant Elementary School Princ.	\$55,000	Elementary School Princ.	\$60,000
Assistant Middle School Princ.	\$57,500	Middle School Princ.	\$70,000
Assistant High School Princ.	\$62,500	High School Princ.	\$96,000
Source: LFC Files			

Advancement from a level two license to an administrator license has the following cost to a school district as follows:

Level Two to Assistant Elementary School Princ.	\$15,000	2003	Level Two to Elementary School Princ.	\$20,000
Level Two to Assistant Middle School Princ.	\$17,500	2003	Level Two to Middle School Princ.	\$30,000
Level Two to Assistant High School Princ.	\$22,500	2003	Level Two to High School Princ.	\$56,000
Source: LFC Files				

Costs associated with movement through the licensure system are funded by individual school districts and charter schools through their operating budgets and not funded by a unique appropriation, generally based on the assumption that at present, given the current licensure system and length of time required to advance through the system, costs of more expensive educators are balanced out by retirements and entry of new teachers into the system.

SIGNIFICANT ISSUES

Currently, a teacher must teach for at least six years – on a level one license for at least three years and level two license for at least three years – before they are eligible to apply for a level three-B administrator license; many teachers spend five years teaching with a level one license, extending this time to eight years. Additionally, current statute requires an applicant to have a post-baccalaureate degree or National Board for Professional Teaching Standards certification, be able to demonstrate instructional leader competence, and satisfactorily completed a PED-approved course in administration and a PED-approved administration apprenticeship program to be eligible for a level three-B administrator license. The bill eliminates many of these requirements, effectively shortening the time it would take qualifying applicant level two teachers to reach administrative licensure and allows applicants that are participating in PED-

approved administrator preparation programs to apply for a license concurrent with their enrollment in the preparation program.

Teachers and school leaders are the top two school-related factors influencing student achievement. Research has shown that teacher quality is the most important school-related factor influencing student achievement, while school leaders are the second most important school related factor contributing to student learning. School leadership plays a key role in improving student outcomes by influencing the motivations and capacities of teachers, promoting school and community visions and goals, as well as influencing the school climate and environment and ensuring resources and process are in place to enable teachers to be effective.

PED notes that the states surrounding New Mexico require two or three years of teaching experience before becoming eligible for an administrator's license. New Mexico's current requirement of six years makes the state uncompetitive when compared to other states in the region; many qualified individuals leave education prior to meeting the time criteria as other leadership opportunities arise.

The criteria established in the bill would only apply to licensure; school districts will still be able to impose additional requirements if they choose when hiring for school principals and assistant principals. Additionally, PED indicates the bill will allow school districts to establish a recruitment strategy for highly qualified entry-level teachers with an interest in leadership.

ADMINISTRATIVE IMPLICATIONS

PED will be required to process increased applications for licenses, depending on the number of applications submitted pursuant to this bill.

CONFLICT, DUPLICATION

Duplicates HB71; Conflicts with HB76, SB91, SB 126, SB223, and SB378

RSG/bb/je